

Amendment No. 1 to HB2874

**West
Signature of Sponsor**

AMEND Senate Bill No. 3128

House Bill No. 2874*

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by deleting all language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 50-6-405(c), is amended by adding a new, appropriately numbered subdivision, which shall read as follows:

() Each group of employers qualifying as self-insurers pursuant to this subsection shall submit to the commissioner of commerce and insurance a statement of financial condition audited by an independent certified public accountant on or before the last day of the sixth month following the end of the group's fiscal year. A thirty (30) day extension of the financial statement filing requirement shall be granted by the commissioner of commerce and insurance upon receipt of a request, via certified mail, by a group. Any such request shall be submitted to the commissioner of commerce and insurance not less than thirty (30) days prior to the date such financial statement is due to be filed.

SECTION 2. Tennessee Code Annotated, Section 50-6-405(c) is further amended by adding a new, appropriately numbered subdivision, which shall read as follows:

()

(A) At the request of a group of employers qualifying as self-insurers pursuant to this subsection, the commissioner of commerce and insurance, in the commissioner of commerce and insurance's sole discretion, may grant such additional thirty (30) day extensions to the financial statement filing requirements for acts of God, public enemies,

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fire, flood, storms or similar events constituting force majeure which cause it to require more time to meet the filing requirements.

(B) The commissioner of commerce and insurance, after notice and an opportunity for a hearing, may revoke the certificate of approval of a group of employers qualifying as self-insurers pursuant to this subsection if it fails to comply with this subsection or any rules promulgated hereunder. In addition to or in lieu of revoking a certificate of approval, the commissioner of commerce and insurance may assess a civil penalty of one hundred dollars (\$100) per day for failure to timely meet the filing requirements set forth herein. All hearings under this subsection shall be conducted pursuant the Uniform Administrative Procedures Act, compiled at Tennessee Code Annotated Title 4, Chapter 5.

(C) Financial statements filed pursuant to this subsection, individual member financial statements, work papers, notes, internal documents generated by the department of commerce and insurance or any other information obtained by or disclosed to the commissioner of commerce and insurance pursuant to this chapter or any regulations promulgated hereunder, shall be confidential and shall not be disclosed to the public. This provision, however, shall not apply to the examination report prepared by the commissioner of commerce and insurance, or to any rebuttal to such examination reports submitted by or on behalf of the

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group examined. However, nothing contained in this subdivision shall be construed as prohibiting the commissioner of commerce and insurance from disclosing the above, or any matters relating thereto, to state agencies of this or any other state, or to law enforcement officials of this or any other state or agency of the federal government at any time.

(D) Upon receipt of a request from any approved authorized agent of a group of employers qualifying as self-insurers pursuant to this subsection, the group shall provide a copy of the annual statement of financial condition. Such agent, however, shall not further disseminate such information except for purposes of obtaining errors and omission insurance or in the exercise of due diligence of the agent on behalf of the agent's client seeking admission to the group. Further, any individual or entity obtaining a copy of the statement shall hold such information confidential and shall not share or disclose such information to any other individual or entity.

SECTION 3. This act shall take effect upon becoming law, the public welfare requiring it.